

Toptime Franchise Rules of Conduct

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1. Introduction

The Toptime Franchise Rules of Conduct (“Rules”) form an important part of the FTC (Franchisee Terms & Conditions) agreement between Toptime Network Pvt. Ltd (“Toptime”) and the Franchisee. The Rules have been developed in accordance to the Guidelines of various direct selling associations and statutory bodies and have been implemented following notice to Franchises and review of their comments.

Franchisee agrees for Terms and Conditions for supply of the merchandize in the assigned area. As Franchisee operate as important supply chain medium, hence play important role in sales, training and supplying Toptime’ Merchandizes to downline Franchisee or ASSOCIATEs of Toptime business. Among other things, the Rules are designed to ensure that all Franchisee have the support that they need to continue to develop their business with Toptime.

Under the FTC agreement, Franchisee receives substantial benefits, including: the right to purchase products through Toptime at Franchisee Purchase(FP) rate for resale; the right to supply / sell products in the offered area through its personalizing webpage at www.Toptimenet.com; use of Toptime’ intellectual property in accordance with the Rules; and a variety of support for Franchisee and their Customers. As part of its commitment to support the opportunity made available to Franchisee, Toptime invests substantial resources in goodwill, in the Tree of sponsorship (“TOS”); Business Sales Tool (BST) to provide ASSOCIATEs with a competitive advantage. All Franchisee and Toptime share a competitive business interest in maintaining and protecting these assets and interests. The Rules provide important safeguards for Franchisee and Toptime in this regard, as well as contractual rights and obligations.

2. Definitions

- a) Franchisee have a right to sell a company’s products in a particular area using the company’s name, receive certain income/privilege and support in promotion of the product and sales as described in the Business Plan Guide. Franchisee as TopDepot will be allowed to supply Company products to TopCircle in the area assigned to him. TopCircle will be allowed to supply company’ product to maximum of 15 TopPoints in the area assigned to him; TopPoint as a Franchisee will be allowed to supply company’ product in the area assigned to him; each TopPoint shall be assigned to allocated pin code(s)/ areas; To streamline the distribution in remote and rural areas Toptime has created a distribution point which will require no upfront investment, however this distribution point will have privilege of generating bills and allocating the PV (Point Value - All products are assigned a number called PV which is mentioned in Toptime Price List) to our ASSOCIATEs and prospects, will be called as TOPSHOPEETOPSHOPEE; TOPSHOPEE will operate on zero margins, since the premise of the TOPSHOPEE is to create new business at no upfront franchisee investment. The TOPSHOPEE will be given priority to be converted into TopPoint or TopCircle, subject to the compliance of policy of Toptime and availability of the same in the expected area. Franchisee as TopDepot, TopCircle and TopPoint will be allowed to sell company’ product to its assigned area; TopPoint and TopCircle can sell the product to any TOPSHOPEE or ASSOCIATE or prospectus.
- b) Area means the area allocated under FTC agreement where Franchisee will distribute or sell Toptime’s merchandize
- c) Copyrighted Works means works protectable by copyrights that are owned by, created by or licensed to Toptime.
- d) Customer means a non-ASSOCIATE who is an end user of products and services offered through or by Toptime.
- e) Downline Franchisee for TopDepot means TopCircle within its area (state) and for TopCircle means TopPoint within its area (district).
- f) Franchisee Purchase (FP) rate means rate at which Franchisee purchases products from Toptime at sale price plus GST.
- g) Independent Business (IB) means a Toptime independent business operated by an ASSOCIATE(s) pursuant to the execution of the ASSOCIATE Contract between the ASSOCIATE & Toptime.

- h) ASSOCIATE means an individual(s) or and Entity operating an IB pursuant to the ASSOCIATE Contract.
- i) Tree of Sponsorship (TOS) means the structural arrangement of ASSOCIATEs established by the contractual relationship that each ASSOCIATE has with Toptime.
- j) TOS Information includes all information that discloses or relates to all or part of the Tree of Sponsorship, including but not limited to Franchisee address or other details, ASSOCIATE numbers and other ASSOCIATE business identification data, ASSOCIATE personal contact information, ASSOCIATE business performance information, and all information generated or derived therefrom, in its past, present or future forms.
- k) Marks means the trademarks, service marks, trade dress and trade names adopted or used by Toptime and/or otherwise the subject of pending or existing trademark rights owned by or licensed to Toptime, regardless of whether the trademarks, service marks, trade dress or trade names are the subject of trademark applications or registrations.
- l) Minimum stock means that the Franchisee must maintain minimum product stock as relected on the Franchisee's account on Toptime's website/online portal, for meeting the demand of the Franchisee area.
- m) Prospect means a prospective ASSOCIATE.
- n) Region means the States and Union Territories of India operating under the Plan.
- o) TopDepot means the Franchisee appointed to distribute products in the area of a State.
- p) TopCircle means the Franchisee appointed to distribute products in the area of a District.
- q) TopPoint means the Franchisee appointed to distribute products in the area of a Pin code.
- r) Topshopee means the Franchisee appointed to resale the products anywhere.
- s) Upline Franchisee for TopCircle means TopDepot in its respective state and for TopPoint means TopCircle in its respective district.
- t) Use means: (a) with reference to Marks, directly or indirectly placing, affixing or displaying one or more Marks on or in connection with goods or services, in a manner that tends to create the impression of an affiliation, connection, or association between Toptime and the Franchisee or Approved Provider; and (b) with reference to Copyrighted Works, to reproduce, distribute and/or display copies of the Copyrighted Works, in whole or in part, including by means of digital audio transmissions, and to create any derivative works.

3. Becoming a Franchisee

- a) Franchisee Terms & Condition (FTC) Agreement: To become an authorized Franchisee capable of merchandising products and services offered through or by Toptime and supplying and/or selling company' products and services in the assigned area, Franchisee must have all statutory approvals, complete and sign the FTC agreement, and purchase the products to the tune as mentioned in the agreement; the Franchisee can conduct his business activities through the web page assigned through www.Toptimenet.com. After completing the registration and webpage opening criteria, a user ID and password will be issued to Franchisee. The Franchisee shall than be directed to the Toptime Franchise rules of conduct which shall be accepted by the Franchisee and thereafter the Franchisee shall read & accept the FTC agreement. Upon sucessfully becoming Franchisee of Toptime , the Franchisee shall be allocated online account on the Toptime website/online portal . the Franchisee shall place the purchase order through its alloated online account.
- b) Acceptance or Rejection of Franchisee registration: Toptime reserves the right to accept or reject any Franchisee registration. A registration shall be considered accepted by Toptime when Applicant receives a completed and signed FTC Agreement, its contents are verified with Toptime' records database, and the registration does not violate any Rule of Conduct.
- c) Term: The term of the FTC agreement shall be till it is terminated by either party as per FTC agreement.
- d) The Franchisee working in contract with Toptime must declare the name(s) of the company(s) for which they have worked in past or currently working as Franchisee.

4. Franchise Standard Conditions & Obligations (FSCO):

Following are the responsibilities and obligations of Franchisee:

- a) Franchisee will be responsible for meeting & discharging their all types of Statutory Liabilities like GST, Shop establishment, FSSAI, FORM "O"[Clause 8 and 11] CERTIFICATE OF SOURCE FOR CARRYING ON THE BUSINESS OF SELLING FERTILISERS IN WHOLESALE/RETAIL/FOR INDUSTRIAL USE and Direct Taxes etc.
- b) Franchisee shall make sales to the Franchisees against 100% advance payment only. Toptime will not be responsible for any sort of bad debts/credits provided at the end of Franchisee and the Franchisee alone shall bear such losses.
- c) Franchisee shall not handover any cash to Toptime officials or Team Leaders or Directors of Toptime. Franchisee will always make payments to Toptime by depositing amount as per methods approved by RBI into the Bank Account of Toptime;
- d) Franchisee shall deliver the goods to the area assigned to the Franchisee as per the FTC agreement. The PV for all products in a Franchisee's stock shall be reflected on Franchisee's webpage on Toptime website. Once a product is sold to ASSOCIATE the PV for the said product is distributed in real-time to the ASSOCIATE's Tree of Sponsorship (TOS).
- e) Franchisee will follow Toptime' Franchisee rules of conduct while using Toptime' brand and shall be liable for any violations of the Toptime Franchisee rules of conduct.
- f) Franchisee would have suitable space in vantage location. The structure, size and Franchisee would be as Toptime specification. Franchisee will procure TOPTIME's material and collateral as per Toptime' Franchisee rules of conduct.
- g) Franchisee will be located at his place of operation and would operate in a given area. Reduction of and addition to the area would be Toptime's sole discretion.
- h) Franchisee would have an organization structure; follow system and strategies as per Toptime's guidance. Any deviation could lead to termination of FTC agreement.
- i) Franchisee should provide complete explanation and demonstration as well as description of the nature of products and services being offered for sale, provide details of prices, terms of payment, return policies, terms of guarantee, after-sales service, complaint Redressal mechanism etc. Franchisee shall provide a bill and receipt to the Franchisee for orders placed and subject to applicable legal requirements, maintain proper books of accounts in prescribed forms. Franchisee for Toptime shall not use misleading, deceptive or unfair trade practices for sale or recruitment of prospective Franchisee or require or Toptime's other Franchisee or sub Franchisee to purchase Toptime products or services in unreasonably large quantities and strictly adhere to, inter alia, Toptime Rules of Conduct for Toptime 's Franchisee.
- j) Franchisee would make available his personnel for training as per Toptime's specification. Franchisee shall always conduct Seminars at least once in a month, for product training, website training and facilitation. Besides Quarterly Seminar, Franchisee shall conduct meetings at his place every week under intimation to Toptime corporate Office.
- k) There would be a price to be paid by Franchisee for the procurement of promotional materials. The price applicable would be decided by Toptime from time to time.
- l) Franchisee would make full disclosure of ownership to the company. Any change in management or ownership is liable to cancellation of the FTC agreement. The change should be approved by Toptime in writing.
- m) Franchisee would not take up conflict of interest work during the subsistence of FTC agreement. After the termination of the agreement, for another two year, Franchisee would keep away from conflict of interest work. Conflict of interest work would include working with; or selling products of; or providing services of Toptime's business competitors /Competing MLM/ Competing direct selling businesses
- n) Franchisee would provide full and regular information on a periodic basis as per TOPTIME's system, about its operation in all functional areas.
- o) Franchisee would follow rules/customer service procedures and maintain quality standards as per TOPTIME's norms.
- p) Franchisee would ensure that tangible and intangible perception is built up positively for the brand and ensure customer satisfaction.
- q) Franchisee would not do anything, which is detrimental to the image or business interest of TOPTIME's brand.
- r) Franchisee would promote the brand and strive to increase sales through the usage of below the line, local promotional activities in the said area. The cost of all localized promotions would be incurred by Franchisee. The Franchisee shall update TOPITME with all promotional activities undertaken by the Franchisee.

- s) Franchisee will display Toptime Sign Board in front of Franchisee's Office and / or warehouse/Godown as per artwork & design sent to Franchisee; the signage/board printing and display charges shall be borne by Franchisee
- t) Franchisee shall be responsible for distribution of all offers in Franchisee's area, as per list sent by TOPTIME from time to time
- u) Franchisee premises will be treated as Centre of TOPTIME for that area, where all ASSOCIATE and Team Leaders from the entire country shall be free to do their TOPTIME business and to conduct meetings for developing new ASSOCIATE.
- v) The products distributed and/or sold under Toptime's channel belong to the category of Ayurvedic Medicine and/or Herbal Cosmetic products and/or Food Supplements/FMCG/Agricultural Products and any other products. The products are substantiated by approved label claim, Franchisee shall not get engaged into propagating inappropriate claims neither they should be engaged into providing and/or developing such promotional material directly or indirectly. If the Franchisee is engaged in such acts, Toptime will not be responsible for any consequences arising of the mis-propagated claim and the Franchisee will be terminated without any prior intimation and/or notice. All promotional content, material etc shall be provided by Toptime to the Franchisee and no changes/alterations shall be made to the same by the Franchisee in any condition.
- w) Franchisee must sell the products to all ASSOCIATE, irrespective of whether he / she are in Franchisee's TOS or not. Divulging this clause shall be treated as conflict of business interest; in this case if Toptime gets these kinds of notices or complaints repeatedly, Toptime may terminate the Franchisee FTC contract/agreement. (Other termination clause; like non-adherence to Toptime policy of distribution; inability to distribute goods within stipulated time period; non-maintenance of sufficient stock etc.)
- x) Franchisee should not offer any non-specified schemes or discounts to the Franchisee/ASSOCIATE, if the Franchisee still offers then it shall be the Franchisee's liability & may lead to termination of Franchisee without any prior intimation and/or notice.
- y) The Franchisee shall intimate Toptime 180 days and not later than 120 days prior to the expiry date of the products along with the matching invoice details and the Company may mobilize the said products subject to said products not being damaged, correct invoice details and the various cost inclusive of logistics being borne by the Franchisee. Toptime shall not refund cost of any such mobilized products and replacement shall be subject to condition of products returned. Any product sold to Associate or whose PV has been distributed cannot be returned.
- z) Franchisee shall send the expired products to Toptime at its own cost and the said expired products shall be disposed off as per the applicable laws , rules & regulations.
- aa) In case the Franchisee fails to comply with any of the conditions of the Franchisee rules of conduct or FTC agreement , Toptime shall block the Franchisee's ID after conducting proper investigation. Toptime shall have sole authority to decide whether the Franchisee's ID is to be unblocked or be terminated as per Franchisee Rule of conduct or FTC agreement.

5. Code of Ethics for Distribution

- a) Franchisee as a TopDepot, TopCircle & TopPoint, shall always maintain a minimum stock level as reflected on the Franchisee's account on the Toptime's website/online portal and depending on the demand of products in the allocated zone from time to time; and will have to maintain sufficient stock to serve the complete monthly demand of its Area.
- b) All sales shall be made through the webpage in the address www.Toptimenet.com only
- c) Franchisee shall always place an order to Toptime by raising a Purchase Order (PO) along with payment details through the Franchisee account on Toptime website/online portal.
- d) On every Monday the Franchisee shall transfer the entire sales amount along with the corresponding Purchase orders of the previous week to Toptime.
- e) The Franchisee warrants and represents to the Toptime that it is a company /partnership/ proprietorship firm, validly existing and a good standing under the laws of republic of India and has all requisite power and authority to enter into agreement with the Toptime. All the obligations of the Franchisee under the FTC agreement are legal, valid and binding obligations enforceable in accordance with its terms. There should be no proceedings pending against the Franchisee, which may have an adverse effect on the ability of the Franchisee to perform and meet its obligations.
- f) Franchisee base will be allocated to specific area; Franchisee as TopDepot shall put best efforts to appoint 15 TopCircles and TopCircle shall put all best efforts to appoint 15 TopPoints in the allocated Area; Franchisee as TopPoint shall ensure to distribute to 12-15 Peripheral Pin Code Areas; Franchisee shall put his best efforts to monitor that the

Franchisee appointed by him under the Franchisee' area supplies to allocated area; however, only when the Franchisee is not available in the said district(s)/area; the Franchisee can supply to the un-allocate & open area. The Franchisee shall provide the appropriate services, offers, free good to the ASSOCIATES and customers as described under the company policy.

- g) Franchisee will ensure distribution related Code of Ethics
 - i. TopDepot sells/distributes products only to downline Franchisees in its area and TopCircle sells/distributes goods to downline Franchisees in its area
 - ii. TopPoints sells goods in the Pin Code Areas allocated to them
 - iii. However ASSOCIATE will be free to purchase goods from any Franchisee of their choice
 - iv. Franchisees shall purchase only through its upline Franchisee.

6. Business Support Tools

Business Support Tools (or "BST") as used in these Rules means all products and services (including but not limited to business aids, books, magazines, flip charts, and other printed material, online literature, internet websites, mobile application, advertising, audio, video or digital media, rallies, meetings, and educational seminars, and other types of materials and services) that are (i) designed to solicit and/or educate Prospects, Customers, or prospective Customers of Toptime products or services, or to support, train, motivate, and/or educate ASSOCIATES, or (ii) incorporate or Use one or more of the Marks or Copyrighted Works of Toptime, or (iii) are otherwise offered with an explicit or implied sense of affiliation, connection, or association with Toptime. Unless otherwise specified in writing, ASSOCIATES acknowledge that nothing in this Rule, or in any other Rule, shall be construed or interpreted as a license or other permission to incorporate any TOS Information into any BST.

Franchisee may sell BST only in accordance with Toptime merchandize sales plan. BST created, used, promoted, distributed, or offered for sale by or to ASSOCIATES must: (a) comply with all Quality Assurance Standards and any applicable Rules of Conduct relating to their use, promotion, and sale. Except as explicitly provided in the Quality Assurance Standards, BST may not be offered for sale to Prospects.

7. Confidentiality:

- a) Franchisee shall keep all information of confidential nature received from the TOPTIME, including the ASSOCIATES' data, other Franchisees' data, promotion related data and tree of sponsorship data; in whatever form as strictly confidential and shall not disclose it to third Parties without the prior written consent of TOPTIME during the term of the FTC agreement.
- b) Franchisee will not to disclose revenue Information without TOPTIME prior written consent.
- c) Confidentiality of the TOS: Toptime protects the TOS and TOS Information for the benefit of Toptime, Franchisees and of all ASSOCIATES. Toptime keeps TOS Information proprietary and confidential and treats it as a trade secret. Toptime is the exclusive owner of all TOS Information, which is derived, compiled, configured, and maintained through the expenditure of considerable time, effort, and resources by Toptime and its ASSOCIATES. Franchisee cannot use the TOS information in whatsoever manner.
- d) Franchisee acknowledge, and agree not to challenge, that: (i) TOS Information is confidential and a valuable trade secret owned by Toptime; (ii) TOS Information is owned exclusively by Toptime; and (iii) Franchisee do not own any rights in TOS Information. Franchisee agree not to challenge or interfere with Toptime' authority to license or sublicense TOS Information. Franchisee shall not assert or seek any rights or protection of any kind in TOS Information other than those limited rights or protections that may be specifically granted by this Rule.
- e) All Franchisee shall maintain TOS Information in strictest confidence and shall take all reasonable steps and appropriate measures to safeguard TOS Information and maintain the confidentiality thereof. A Franchisee shall not compile, organize, access, create lists of, or otherwise use or disclose TOS Information. Franchisee also shall not disclose TOS Information to any third party or use TOS Information in connection with any other businesses or to compete, directly or indirectly, with the Toptime business.

- f) Franchisee shall promptly return any and all TOS Information to Toptime upon non-renewal, or termination; and shall immediately discontinue any further use thereof.
- g) Every Franchisee acknowledges that use or disclosure of TOS Information, will cause significant and irreparable harm to Toptime, warranting an award of injunctive relief, including a temporary restraining order and/or a preliminary injunction, specific performance, and damages including costs, attorneys' fees, and disgorgement of all profits made as a result of such unauthorized use or disclosure.
- h) Franchisee' obligations under section 6 shall survive and remain enforceable following the termination of that FTC agreement.
- i) Every Franchisee acknowledges that present section 7 protects the reasonable competitive business interests of Toptime and Franchisee, and that a violation of any subsection of this section 7 will cause significant and irreparable harm to ASSOCIATES and Toptime, warranting an award of injunctive relief, including a temporary restraining order and/or a preliminary injunction, specific performance, and damages including costs, attorneys' fees, and disgorgement of all profits made as a result of such violation.
- j) Franchisee' obligations under this section 7 shall survive and remain enforceable following the termination of its FTC agreement.

8. Conditions for delivery of good:

- a) The products will be supplied by Toptime to Franchisee F.O.R. Franchisee's State/District/Pincode.
- b) Franchisee as TopDepot shall deliver goods to TopCircle and TopCircle shall deliver goods to the TopPoints through local transport with prepaid freight.
- c) The Purchase orders (PO) received by Franchisee from assigned sub-franchisee, should be dispatched within 24 hours of receiving PO, further to this the merchandise shall be delivered within 3 calendar days. If the Franchisee is failing to supply goods timely or repeated delays will lead to loss of business volume and in such case with prior notice and/or intimation Toptime can appoint new/additional and/or another Franchisee for streamlining the supply and/or delivery of goods.

9. Compliance of FSCO & FTC agreement and Action by Toptime:

- a) Complying with the Franchise Standard Contitions & Obiligation and FTC agreement is essential for preserving a strong and viable business for Franchisee and Toptime. Franchisee and Toptime each have rights & responsibilities for ensuring smooth functioning but to ensure strict compliance, Toptime shall be entitled to take action agasint any Franchisee for non-compliance, misconduct or breach .
- b) When Toptime detects a misconduct or potential breach of the FTC agreement, it may first investigate as appropriate. Before taking enforcement action, Toptime shall attempt to contact the Franchisee in an effort to resolve the issue. If the communication does not resolve the issue, Toptime may take any enforcement action authorized under these FTC agreement including, but not limited to, one or any combination of the following:
 - i. A written warning to a Franchisee
 - ii. Suspending merchandize supply for a specified period of time, or until certain conditions have been satisfied. During the suspension period Toptime may provide merchandize to assigned sub-franchisee under the said Franchisee.
 - iii. Compensatory remedies, as applicable.
 - iv. Terminating FTC agreement.
 - v. If a Franchisee elects to challenge any action taken by Toptime under this Rule, the Franchisee shall submit the issue to the Dispute Resolution Procedures described in FTC agreement.
- c) If a Franchisee believes that another Franchisee has breached the FTC agreement, the Franchisee first should contact the Toptime with relevant proofs in an effort to resolve the issue. If a Franchisee believes that Toptime has breached the FTC agreement, the Franchisee first shall contact Toptime in an effort to resolve the issue. If discussion with Toptime does not resolve the issue, the Franchisee may file a written complaint with Toptime. The complaint should explain the issue in as much detail as possible and include all supporting documents. Toptime will investigate as appropriate and take enforcement or corrective action.

- d) A Franchisee who elects to challenge the validity of a Rule or other term of the FTC agreement shall first contact Toptime in an effort to resolve the issue. If the Franchisee is not satisfied with Toptime' response, the dispute shall be resolved in Arbitration under FTC Agreement.
- e) Duty to Cooperate: All Franchises are required to respond to inquiries and otherwise cooperate in a timely fashion with any investigation conducted by Toptime. Failure to respond to inquiries or to otherwise cooperate in a timely fashion is a violation of the Toptime Franchise Rules of Conduct and may result in Toptime taking action against the Franchisee.
- f) Non-Waiver. The failure of Toptime or any Franchisee to enforce any breach of any provision of the FTC agreement shall not constitute a waiver of any prior, concurrent, or subsequent breach of the same or any other provision of the FTC agreement.

10. Termination of Franchise:

- a) The Franchisee may after giving 30 days prior written notice to TOPTIME terminate the FTC agreement subject to terms/clauses of FTC agreement. A Franchisee will not be entitled to purchase TOPTIME products or services upon serving the notice.
- b) Toptime may terminate the FTC agreement of any Franchisee without notice in following cases:
 - i. the Franchisee indulges in unfair trade practices or any malpractices;
 - ii. the Franchisee fails to maintain minimum stocks
 - iii. the Franchisee breaches the Franchise/Direct Selling guidelines published by the Government of India or respective State Government;
 - iv. Due to misrepresentation by the Franchisee to any consumer or prospective Franchisee;
 - v. The Franchisee becomes insolvent.
 - vi. The Franchisee tempers with the products, labels, packaging before selling them.
 - vii. Due to legal, regulatory or other developments that require material operational changes within the Area, in which case TOPTIME may, if regulatory conditions allow, endeavor to restructure the contractual relationship with the Franchisee on such terms and conditions as are then practical and legally permissible.
- c) Toptime shall terminate this contract by giving 30 days' notice in writing if the Franchisee fails to make any purchase of Toptime products or services for a consecutive period exceeding 2 months. Toptime may from time to time amend any of the Toptime Franchise Rules of conduct and/or FTC agreement through notice on its website, www.Toptimenet.com. If the Franchisee does not agree to be bound by such amendment(s), he/she/they may terminate the FTC agreement with by giving a 30 days written notice to Toptime. Otherwise, the Franchisee's continued relationship with Toptime constitutes an affirmative acknowledgment by the Franchisee of the amendment(s), and his/her/their agreement to be bound by the same.

11. Governing Law:

The Toptime Franchise Rules of Conduct , FTC agreement and all questions of interpretation shall be governed by and construed in accordance with the laws of the Republic of India, without regard to its principles of conflicts of laws. The Agreement is civil in nature and hence, it is to be governed and construed in accordance with the Indian Contract Act, 1872, the Code of Civil Procedure and other applicable laws of India.

12. Marks and Copyrighted Works:

Toptime' Marks and Copyrighted Works are important and valuable business assets of Toptime. The Marks help identify the source and reputation of Toptime' products and services worldwide and distinguish them from those of competitors. Toptime makes commercially reasonable efforts to protect the Marks from improper use, including through the Rules of Conduct, accreditation of Approved Providers, and a corporate identity program that requires the correct and consistent use of the Marks, both in appearance and substance.

13. Modification of the Toptime Franchise Rules of Conduct or FTC agreement:

Toptime may modify the Toptime Franchise Rules of Conduct or FTC agreement in accordance with the following procedures.

- a) Toptime will notify Franchisee of the proposed changes by making them available to review by logging on to www.Toptimenet.com and the Franchisee may accept the said changes online.
- b)** Prior to the effective date of any proposed changes, any Franchisee who is unwilling to accept changes, if it wishes, it can provide notice of its' intent to terminate FTC agreement

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